

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

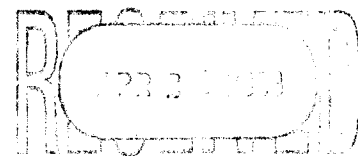
**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-03655A  
Cactus-Stellar Limited  
12625 W. Cactus Ridge  
HCR #2, Box 469  
Tucson AZ 857350000

**ANNUAL REPORT**

ARIZONA CORPORATION  
COMMISSION



**FOR YEAR ENDING**

12	31	2002
----	----	------

Director of Utilities

*Entered  
4/25/03  
C-um*

FOR COMMISSION USE

ANN 04	02
--------	----

OK

## COMPANY INFORMATION

Company Name (Business Name) <u>Cactus-Stellar Ltd.</u>		
Mailing Address <u>HCR 2, Box 469</u>		
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85735</u> (Zip)
<u>520-822-2214</u>	<u>-</u>	<u>-</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>tutors 2 @ earthlink.net</u>		
Local Office Mailing Address <u>HCR 2, Box 469</u>		
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85735</u> (Zip)
<u>520-822-2214</u>	<u>-</u>	<u>-</u>
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>tutors 2 @ earthlink.net</u>		

## MANAGEMENT INFORMATION

Management Contact: <u>Mike Gallego</u>		<u>President</u>
(Name)		(Title)
<u>HCR 2, Box 474</u>	<u>Tucson</u>	<u>AZ 85735</u>
(Street)	(City)	(State) (Zip)
<u>520-822-5177</u>	<u>-</u>	<u>-</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>mandmgallego@cs.com</u>		
On Site Manager: <u>Tanya Lombardi-Power</u>		
(Name)		
<u>HCR 2, Box 469</u>	<u>Tucson</u>	<u>AZ 85735</u>
(Street)	(City)	(State) (Zip)
<u>520-822-2214</u>	<u>-</u>	<u>-</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>tutors 2 @ earthlink.net</u>		

Statutory Agent: Richard Little  
(Name)

4837 E. 5th St. Tucson AZ 85711  
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Same as above  
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)         | <input checked="" type="checkbox"/> Association/Co op (A)                 |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

COMPANY NAME

*Cactus-Stellar, Ltd.*UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	—		
302	Franchises	—		
303	Land and Land Rights	—		
304	Structures and Improvements	<i>line fixed</i>		
307	Wells and Springs	<i>city owned</i>		
311	Pumping Equipment	<i>city owned</i>		
320	Water Treatment Equipment	—		
330	Distribution Reservoirs and Standpipes	—		
331	Transmission and Distribution Mains	—		
333	Services	—		
334	Meters and Meter Installations	<b>509.74</b>		
335	Hydrants	—		
336	Backflow Prevention Devices	—		
339	Other Plant and Misc. Equipment	—		
340	Office Furniture and Equipment	—		
341	Transportation Equipment	—		
343	Tools, Shop and Garage Equipment	—		
344	Laboratory Equipment	—		
345	Power Operated Equipment	—		
346	Communication Equipment	—		
347	Miscellaneous Equipment	—		
348	Other Tangible Plant	—		
	<b>TOTALS</b>	<b>509.74</b>		

This amount goes on the Balance Sheet Acct. No. 108 

COMPANY NAME **Cactus-Stellar, Ltd.**

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	—		
302	Franchises	—		
303	Land and Land Rights	—		
304	Structures and Improvements	line fixed		
307	Wells and Springs	city owned		
311	Pumping Equipment	city owned		
320	Water Treatment Equipment	—		
330	Distribution Reservoirs and Standpipes	—		
331	Transmission and Distribution Mains	—		
333	Services	—		
334	Meters and Meter Installations	509.74		
335	Hydrants	—		
336	Backflow Prevention Devices	—		
339	Other Plant and Misc. Equipment	—		
340	Office Furniture and Equipment	—		
341	Transportation Equipment	—		
343	Tools, Shop and Garage Equipment	—		
344	Laboratory Equipment	—		
345	Power Operated Equipment	—		
346	Communication Equipment	—		
347	Miscellaneous Equipment	—		
348	Other Tangible Plant	—		
	<b>TOTALS</b>	<b>509.74</b>		

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME

*Cactus-Stellar, Ltd.*BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash <i>Same</i>	\$ <i>4,140.51</i>	\$ <i>5,306.30</i>
134	Working Funds	<i>4,140.51</i>	<i>5,306.30</i>
135	Temporary Cash Investments	-	-
141	Customer Accounts Receivable	-	-
146	Notes/Receivables from Associated Companies	-	-
151	Plant Material and Supplies	-	-
162	Prepayments	-	-
174	Miscellaneous Current and Accrued Assets	-	-
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ <i>4,140.51</i>	\$ <i>5,306.30</i>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ -	\$ -
103	Property Held for Future Use	-	-
105	Construction Work in Progress	-	-
108	Accumulated Depreciation – Utility Plant	-	-
121	Non-Utility Property	-	-
122	Accumulated Depreciation – Non Utility	-	-
	<b>TOTAL FIXED ASSETS</b>	\$ -	\$ -
	<b>TOTAL ASSETS</b>	\$ <i>4,140.51</i>	\$ <i>5,306.30</i>

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

*Cactus- Stellan, Ltd.*BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable <i>testing + water bills for 62</i>	\$ 0	\$ 3902.06
232	Notes Payable (Current Portion)	—	—
234	Notes/Accounts Payable to Associated Companies	—	—
235	Customer Deposits	—	—
236	Accrued Taxes	—	—
237	Accrued Interest	—	—
241	Miscellaneous Current and Accrued Liabilities	—	—
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 0	\$ 3902.06 <i>pd</i>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ —	\$ —
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ —	\$ —
252	Advances in Aid of Construction	—	—
255	Accumulated Deferred Investment Tax Credits	—	—
271	Contributions in Aid of Construction	—	—
272	Less: Amortization of Contributions	—	—
281	Accumulated Deferred Income Tax	—	—
	<b>TOTAL DEFERRED CREDITS</b>	\$ 0	\$ 0
	<b>TOTAL LIABILITIES</b>	\$ 0	\$ 0
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ —	\$ —
211	Paid in Capital in Excess of Par Value	—	—
215	Retained Earnings	—	—
218	Proprietary Capital (Sole Props and Partnerships)	—	—
	<b>TOTAL CAPITAL</b>	\$ 0	\$ 0
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 0	\$ 3902.06 <i>pd.</i>

COMPANY NAME

*Cactus-Stellar Ltd.*COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 7,703.86	\$ 6069.17
460	Unmetered Water Revenue	=	=
474	Other Water Revenues	=	=
	<b>TOTAL REVENUES</b>	\$ 7,703.86	\$ 6069.17
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ -	\$ -
610	Purchased Water	5,380.60	3,247.06
615	Purchased Power	=	=
618	Chemicals	=	=
620	Repairs and Maintenance	363.43	509.74
621	Office Supplies and Expense	204.00	141.86
630	Outside Services		
635	Water Testing	425.00	655.00
641	Rents	=	=
650	Transportation Expenses	=	=
657	Insurance - General Liability	=	=
659	Insurance - Health and Life	=	=
666	Regulatory Commission Expense - Rate Case	10.00	10.00
675	Miscellaneous Expense	120.00	366.80
403	Depreciation Expense	=	=
408	Taxes Other Than Income	=	=
408.11	Property Taxes	=	=
409	Income Tax	=	=
	<b>TOTAL OPERATING EXPENSES</b>	\$ 6503.03	\$ 4930.46
	<b>OPERATING INCOME/(LOSS)</b>	\$	\$
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	=	=
426	Miscellaneous Non-Utility Expenses	=	=
427	Interest Expense	=	=
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ -	\$ -
	<b>NET <u>INCOME</u>/(LOSS)</b>	\$ 1200.83	\$ 1138.71



COMPANY NAME

*Cactus-Stellar, Ltd.*SUPPLEMENTAL FINANCIAL DATALong-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan	<i>— NA —</i>			
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

*Ø*

Meter Deposits Refunded During the Test Year

\$

*Ø*

COMPANY NAME

*Cactus Stellar, Ltd.*WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
<i>NA</i>						

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>City of Tucson Los Realos Well</i>		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>NA</i>		<i>NA</i>	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>NA</i>		<i>NA</i>	

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	NA	
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	18
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:  
NA- City of Tucson treatment

STRUCTURES:  
None

OTHER:

COMPANY NAME:

*Cactus-stellar*WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	15	113519	14201
FEBRUARY	15	111018	14851
MARCH	15	145141	19228
APRIL	15	162208	22223
MAY	15	188416	26421
JUNE	15	170773	22584
JULY	15	134115	20873
AUGUST	15	161256	26823
SEPTEMBER	15	116366	18009
OCTOBER	15	126349	15512
NOVEMBER	15	101322	12397
DECEMBER	15	87336	9930
TOTAL		N/A	

*1617819 cm*

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes

☒ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes

☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. \_\_\_\_\_mg/l

*(If more than one well, please list each separately)**See enclosed letter**Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME

Cactus-Stellar

YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. The City of Tucson owns the well. They send the bill. We read the meters, send the bills and replace meters/pipes. No one is salaried. Monies collected pay the water bill and pays for meters/pipes. There is no 'property' to tax.

COMPANY NAME Cactus-Stellar, Ltd. YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Ø  
Estimated or Actual Federal Tax Liability Ø

State Taxable Income Reported Ø  
Estimated or Actual State Tax Liability Ø

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances Ø  
Amount of Gross-Up Tax Collected Ø  
Total Grossed-Up Contributions/Advances Ø

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

\_\_\_\_\_  
**SIGNATURE**

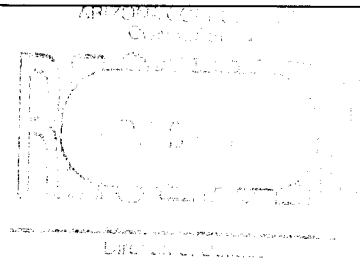
\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**PRINTED NAME**

\_\_\_\_\_  
**TITLE**

*There is no tax to refund.*

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only



**VERIFICATION**

STATE OF \_\_\_\_\_  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <i>Pima</i>
NAME (OWNER OR OFFICIAL) TITLE <i>Tanya Lombardi-Power, Treasurer</i>
COMPANY NAME <i>Cactus-stellar, Ltd.</i>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 6,069.17

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ \_\_\_\_\_  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

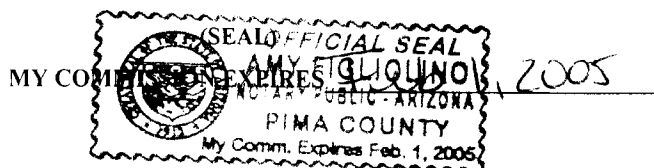
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

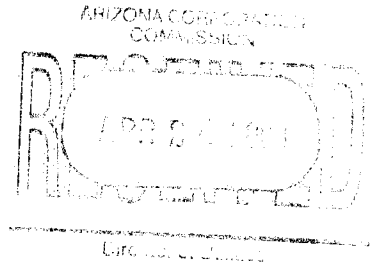
THIS 10<sup>th</sup> DAY OF

*Tanya Lombardi-Power*  
SIGNATURE OF OWNER OR OFFICIAL  
520-822-2214  
TELEPHONE NUMBER

COUNTY NAME PIMA  
MONTH April YEAR 2003  
*Amy Glielino*  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Pima</u>	
NAME (OWNER OR OFFICIAL) <u>Tanya Lombardi-Power</u>	TITLE <u>Treasurer</u>
COMPANY NAME <u>Cactus-stellar</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2002</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES  <u>\$ 6,069.17</u>
---

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

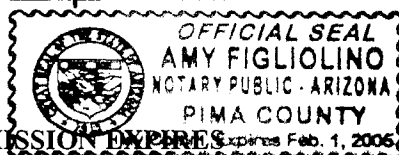
\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Tanya Lombardi-Power  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 16th DAY OF

(SEAL)

MY COMMISSION EXPIRES



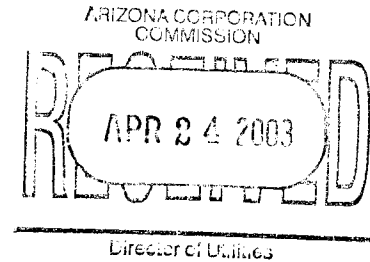
NOTARY PUBLIC NAME <u>Amy Figliolino</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	20 <u>03</u>

X Amy Figliolino  
SIGNATURE OF NOTARY PUBLIC



**Cactus-Stellar Ltd.**

HCR 2, Box 469  
Tucson, AZ 85735  
822-2214  
822-5177  
April 14, 2003



To Whom It May Concern:

I am replying to the section regarding arsenic test results. Our well is a City of Tucson Well that serves 18 families in our neighborhood. Each property has its own meter. We read the meters, send each family a bill, deposit the monies and pay the one City of Tucson bill that comes to us each month.

One of our members has successfully completed the Wellhead Protection Class and the Sampling and Monitoring Class and collects the sample each month. He takes it to Precision Analytical Laboratories, Inc., a division of Aerotech Laboratories Inc. in Phoenix. They do the testing and send us the results. The test is for coliform.

The City of Tucson tests for arsenic in the water. This is not our collection description. I hope this answers your question. There is no way we have an arsenic result, but the City of Tucson should.

Sincerely,

A handwritten signature in cursive script that reads "Tanya Lombardi-Power".

Tanya Lombardi-Power  
Treasurer  
Cactus-Stellar, Inc.  
HCR 2, Box 469  
Tucson, AZ 85735

**Cactus-Stellar Ltd.**

HCR 2, Box 469  
Tucson, AZ 85735  
822-2214  
822-5177